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#### DEPARTMENT OF COMMERCE

International Trade Administration

[A-533-871]

Finished Carbon Steel Flanges from India: Preliminary Results of Antidumping Duty Administrative Review; 2017-2018

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) preliminarily finds that Norma (India) Limited (Norma) and R.N. Gupta & Co. Ltd. (Gupta), producers/exporters of finished carbon steel flanges (flanges) from India, sold subject merchandise at prices below normal value during the period of review (POR) February 8, 2017 through July 31, 2018. We invite interested parties to comment on these preliminary results.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Heather Lui, Paul Walker, or Fred Baker, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1646, (202) 482-0413, or (202) 482-2924, respectively. SUPPLEMENTARY INFORMATION:

### **Background**

On August 7, 2018, Commerce published in the *Federal Register* a notice of opportunity to request an administrative review of the antidumping duty order on flanges from India, for the period February 8, 2017 through July 31, 2018. Subsequently, Commerce received timely

<sup>&</sup>lt;sup>1</sup> See Finished Carbon Steel Flanges from India and Italy: Antidumping Duty Orders, 82 FR 40136 (August 24,

requests for an administrative review from Weldbend Corporation and Boltex Manufacturing Co., L.P. (collectively, the petitioners),<sup>2</sup> Norma,<sup>3</sup> Gupta,<sup>4</sup> Jai Auto Pvt. Ltd. (Jai Auto),<sup>5</sup> and Bebitz Flanges Works Private Limited (Bebitz).<sup>6</sup> The petitioners requested an administrative review of 35 companies,<sup>7</sup> whereas Norma, Gupta, Jai Auto and Bebitz requested an administrative review of themselves.<sup>8</sup> On October 4, 2018, Commerce initiated an administrative review of the *Order* for the period February 8, 2017 through July 31, 2018, with respect to 37 companies.<sup>9</sup> On November 9, 2018, Commerce selected Gupta and Norma as the mandatory respondents for this review.<sup>10</sup> For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.<sup>11</sup>

Commerce exercised its discretion to toll all deadlines affected by the closure of the federal government from December 22, 2018, through the resumption of operations on January

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<sup>2017) (</sup>Order); see also Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review, 83 FR 38682, 38683 (August 7, 2018).

<sup>&</sup>lt;sup>2</sup> See Petitioners' Letter, "Finished Carbon Steel Flanges from India: Request for Administrative Review," dated August 31, 2018 (Petitioners' Request for Review).

<sup>&</sup>lt;sup>3</sup> See Norma's Letter, "Finished Carbon Steel Flanges from India: Request for entry of appearance in the Anti-Dumping Duty Administrative Review for Norma (India) Limited, USK Export Private Limited, Umashanker Khandelwal and Co. and Bansidhar Chiranjilal," dated August 28, 2018 (Norma's Request for Review).

<sup>&</sup>lt;sup>4</sup> See Gupta's Letter, "Finished Carbon Steel Flanges from India: Request for Anti-Dumping Duty Administrative Review," dated August 30, 2018 (Gupta's Request for Review).

<sup>&</sup>lt;sup>5</sup> See Jai Auto's Letter, "Request for Anti-Dumping Duty Administrative Review of finished carbon steel flanges from India," dated August 31, 2018; see also Jai Auto's Letter, "Finished Carbon Steel Flanges from India: Requests for Administrative Review," dated August 31, 2018 (Jay Auto's Request for Review).

<sup>&</sup>lt;sup>6</sup> See Bebitz's Letter, "Finished Carbon Steel Flanges from India: Requests for Administrative Review," dated August 31, 2018 (Bebitz's Request for Review).

<sup>&</sup>lt;sup>7</sup> See Petitioners' Request for Review, at 2-3.

<sup>&</sup>lt;sup>8</sup> See Norma's Request for Review; Gupta's Request for Review; Jai Auto's Request for Review; and Bebitz's Request for Review.

<sup>&</sup>lt;sup>9</sup> See Initiation of Antidumping and Countervailing Duty Administrative Reviews, 83 FR 50077 (October 4, 2018) (Initiation Notice).

<sup>&</sup>lt;sup>10</sup> See Memorandum, "Antidumping Duty Administrative Review of Finished Carbon Steel Flanges from India: Respondent Selection," dated November 9, 2018.

<sup>&</sup>lt;sup>11</sup> See Memorandum, "Decision Memorandum for Preliminary Results of Antidumping Duty Administrative Review: Finished Carbon Steel Flanges from India; 2017-2018," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

29, 2019.<sup>12</sup> On June 7, 2019 and September 6, 2019, Commerce extended the deadline for the preliminary results of this administrative review, in accordance with section 751(a)(3)(A) of the Tariff Act of 1930, as amended (the Act) and 19 CFR 351.213(h)(2).<sup>13</sup> The current deadline is October 10, 2019.

### Scope of the *Order*

The merchandise covered by the *Order* is finished carbon steel flanges from India. The product is currently classified under subheadings 7307.91.5010 and 7307.91.5050 of the Harmonized Tariff System of the United States (HTSUS). Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of merchandise subject to the scope is dispositive.<sup>14</sup>

### Companies Not Selected for Individual Examination

For companies not selected for individual examination in an administrative review, generally, Commerce looks to section 735(c)(5) of the Act, which provides instructions for calculating the all-others rate in a market economy investigation. Under section 735(c)(5)(A) of the Act, the all-others rate is normally "an amount equal to the weighted-average of the estimated weighted-average dumping margins established for exporters and producers individually investigated, excluding any zero or *de minimis* margins, and any margins determined entirely {on the basis of facts available}." In this segment of the proceeding, we calculated a margin for

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<sup>&</sup>lt;sup>12</sup> See Memorandum to the Record from Gary Taverman, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations for Enforcement and Compliance, "Deadlines Affected by the Partial Shutdown of the Federal Government," dated January 28, 2019. All deadlines in this segment of the proceeding have been extended by 40 days.

<sup>&</sup>lt;sup>13</sup> See Memorandum, "Finished Carbon Steel Flanges from India: Extension of Deadline for Preliminary Results of Antidumping Duty Administrative Review," dated June 7, 2019; see also Memorandum, "Finished Carbon Steel Flanges from India: Extension of Deadline for Preliminary Results of Antidumping Duty Administrative Review," dated September 6, 2019.

<sup>&</sup>lt;sup>14</sup> A full description of the scope of the *Order* is contained in the Preliminary Decision Memorandum.

Norma and Gupta that was not zero, de minimis, or based entirely on facts available.

Accordingly, Commerce preliminarily has assigned to the companies not individually examined a margin of 1.71 percent, which is the simple average of Gupta's and Norma's calculated weighted-average dumping margins.<sup>15</sup>

### Methodology

Commerce is conducting this review in accordance with sections 751(a)(1)(B) and (2) of the Act. Export price is calculated in accordance with section 772 of the Act. Normal value is calculated in accordance with section 773 of the Act.

For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <a href="http://access.trade.gov">http://access.trade.gov</a>, and to all parties in the Central Records Unit, room B8024 of the main Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed at <a href="http://enforcement.trade.gov/frn/index.html">http://enforcement.trade.gov/frn/index.html</a>. The signed Preliminary Decision Memorandum are identical in content. A list of the topics discussed in the Preliminary Decision Memorandum is attached as an Appendix to this notice.

### Preliminary Results of the Review

As a result of this review, Commerce preliminarily determines that the following weighted-average dumping margins exist for the period February 8, 2017 through July 31, 2018:

<sup>&</sup>lt;sup>15</sup> See Memorandum, "Finished Carbon Steel Flanges from India: Calculation of Non-Examined Companies' Rate," dated concurrently with this notice.

Exporter/Manufacturer	Weighted-Average Dumping Margin (percent)
R. N. Gupta & Co., Ltd.	1.20
Norma (India) Limited/USK Exports Private Limited/Uma Shanker Khandelwal & Co./Bansidhar Chiranjilal <sup>16</sup>	2.22
Adinath International	1.71
Allena Group	1.71
Alloyed Steel	1.71
Bebitz Flanges Works Private Limited	1.71
C.D. Industries	1.71
CHQ Forge Pvt. Ltd	1.71
CHW Forge	1.71
Citizen Metal Depot	1.71
Corum Flange	1.71
DN Forge Industries	1.71
Echjay Forgings Limited	1.71
Falcon Valves and Flanges Private Limited	1.71
Heubach International	1.71
Hindon Forge Pvt. Ltd.	1.71
Jai Auto Private Limited	1.71
Kinnari Steel Corporation	1.71

<sup>&</sup>lt;sup>16</sup> In the preliminary determination of the less-than-fair value investigation, Commerce determined that Norma (India) Limited; USK Exports Private Limited; Uma Shanker Khandelwal & Co.; and Bansidhar Chiranjilal were a single entity. See Finished Carbon Steel Flanges from India: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination, 82 FR 9719 (February 8, 2017) and accompanying Preliminary Decision Memorandum at 4-5; unchanged in Finished Carbon Steel Flanges from India: Final Determination of Sales at Less Than Fair Value, 82 FR 29483 (June 29, 2017). In these preliminary results, Norma has presented evidence that the factual basis on which Commerce made its prior determination has not changed. See Norma's March 1, 2019 Supplemental Questionnaire Response (Norma March 1, 2019 SQR) at 12-20. Therefore, in this administrative review, Commerce continues to collapse these four entities, and treats them as a single entity.

M F Rings and Bearing Races Ltd.	1.71
Mascot Metal Manufactures	1.71
OM Exports	1.71
Punjab Steel Works (PSW)	1.71
R. D. Forge	1.71
Raaj Sagar Steels	1.71
Ravi Ratan Metal Industries	1.71
Rolex Fittings India Pvt. Ltd.	1.71
Rollwell Forge Pvt. Ltd.	1.71
SHM (ShinHeung Machinery)	1.71
Siddhagiri Metal and Tubes	1.71
Sizer India	1.71
Steel Shape India	1.71
Sudhir Forgings Pvt. Ltd.	1.71
Tirupati Forge	1.71
Umashanker Khandelwal Forging Limited	1.71

# **Disclosure and Public Comment**

Commerce intends to disclose the calculations performed in connection with these preliminary results to interested parties within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b).

Interested parties may submit case briefs to Commerce no later than 30 days after the date of publication of this notice.<sup>17</sup> Rebuttal briefs, limited to issues raised in the case briefs, may be filed not later than five days after the date for filing case briefs. 18 Pursuant to 19 CFR

<sup>&</sup>lt;sup>17</sup> See 19 CFR 351.309(c)(1)(ii). <sup>18</sup> See 19 CFR 351.309(d).

351.309(c)(2) and (d)(2), parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.

Interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, using Enforcement and Compliance's ACCESS system within 30 days of publication of this notice. <sup>19</sup> Requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to those raised in the respective case and rebuttal briefs. If a request for a hearing is made, Commerce intends to hold the hearing at the U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230, at a time and date to be determined. Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

All submissions to Commerce must be filed electronically using ACCESS, and must also be served on interested parties.<sup>20</sup> An electronically filed document must be received successfully in its entirety by Commerce's electronic records system, ACCESS, by 5:00 p.m. Eastern Time on the date that the document is due.

#### Assessment Rates

Upon issuance of the final results, Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries covered by

 $<sup>^{19}</sup>$  See 19 CFR 351.310(c).  $^{20}$  See 19 CFR 351.303 (for general filing requirements).

this review.<sup>21</sup>

If Norma and Gupta's calculated weighted-average dumping margin is above *de minimis* (*i.e.*, greater than or equal to 0.5 percent) in the final results of this review, we will calculate importer-specific *ad valorem* duty assessment rates based on the ratio of the total amount of antidumping duties calculated for the examined sales to the total entered value of the examined sales to that importer, and we will instruct CBP to assess antidumping duties on all appropriate entries covered by this review. If Norma and Gupta's weighted-average dumping margin continues to be zero or *de minimis*, or the importer-specific assessment rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.<sup>22</sup>

In accordance with Commerce's "automatic assessment" practice, for entries of subject merchandise during the POR produced by Norma and Gupta for which each company did not know that the merchandise was destined for the United States, we will instruct CBP we will instruct CBP to liquidate those entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction.<sup>23</sup>

We intend to issue instructions to CBP 15 days after the date of publication of the final results of this review.

## Cash Deposit Requirements

The following deposit requirements will be effective upon publication of the notice of final results of administrative review for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by

<sup>&</sup>lt;sup>21</sup> See 19 CFR 351.212(b)(1).

<sup>&</sup>lt;sup>22</sup> See 19 CFR 351.106(c)(2).

<sup>&</sup>lt;sup>23</sup> For a full discussion of this clarification, see *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

section 751(a)(2)(C) of the Act: (1) the cash deposit rate for Norma and Gupta will be the rate established in the final results of this review, except if the rate is *de minimis* within the meaning of 19 CFR 351.106(c)(1) (*i.e.*, less than 0.50 percent), in which case the cash deposit rate will be zero; (2) for merchandise exported by manufacturers or exporters not covered in this review but covered in a prior segment of the proceeding, the cash deposit rate will continue to be the company-specific rate published for the most recently-completed segment; (3) if the exporter is not a firm covered in this review, a prior review, or the original investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recently-completed segment for the manufacturer of the merchandise; and (4) the cash deposit rate for all other manufacturers or exporters will continue to be 11.95 percent, the all-others rate established in the less-than-fair-value investigation. <sup>24</sup> These cash deposit requirements, when imposed, shall remain in effect until further notice.

### Notification to Interested Parties

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

Unless the deadline is extended pursuant to section 751(a)(2)(B)(iv) of the Act and 19 CFR 351.213(h)(2), Commerce intends to issue the final results of this administrative review,

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<sup>&</sup>lt;sup>24</sup> See Order, 82 FR at 40138.

including the results of its analysis of issues raised in any written briefs, not later than 120 days after the date of publication of this notice.<sup>25</sup>

We are issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.221(b)(4).

Dated: October 10, 2019.

Jeffrey I. Kessler, Assistant Secretary for Enforcement and Compliance.

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<sup>&</sup>lt;sup>25</sup> See section 751(a)(3)(A) of the Act; and 19 CFR 351.213(h).

# **Appendix**

# List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Rates for Non-Examined Companies
- V. Comparisons to Normal Value
- VI. Recommendation

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